

KANSAS LEGISLATIVE INSIGHTS NEWSLETTER | APRIL 9, 2021

April 9, 2021

FIRST ADJOURNMENT WEEK

Today is the first adjournment deadline before the Legislature takes a three-week break prior to the veto session. Some conference committees met early this morning to complete their deliberations. Both the House and Senate went back into session at 10 a.m. While an agreement on the budget was reached on Wednesday afternoon in conference committee, the budget bill and the detailed summary were not widely available to the entire Legislature until this morning. It looks like a long day Friday with the budget, education, taxes, and unemployment insurance among the high-profile issues on the agenda. A clear picture will not be available until late today.

Thursday night, Senate Bill 175, with the education budget bill, failed on the Senate floor 19-19 with two Senators absent. The controversy revolves around the removal of the statewide 20 mill property tax that traditionally funds 10 percent of the education budget. Another issue is sending state tax dollars to private schools that aren't accredited by the state. Other Senators believe that low-income families should not be locked out of non-public education options. The Senate will reconsider the measure today when all 40 Senators can be present.

On Thursday, the Senate approved, 31-7, House Bill 2089, approving the option for schools to use a gun-safety curriculum sponsored by the National Rifle Association for K-12 students. House Bill 2058, lowering the age to 18 to carry concealed firearms and reciprocity of conceal-carry laws adopted in other states, was approved 30-8. Both bills are veto proof.

The Education Conference Committee inserted the contents of Senate Bill 208, transgender sports bill, into the Conference Committee Report for SB 55. It generated passionate debate on the House and Senate floor but passed both chambers. Opponents raised issues around discrimination, mental health concerns, and potential loss of NCAA basketball tournaments and other large events. The Education Conference Committee added a financial literacy course into the conference committee on House Bill 2039, requiring the passage of a civics test for high school graduation.

www.foulston.com

On Wednesday, the Senate debated House Bill 2405, providing bonding for the Kansas Public Employees Retirement System (KPERS). Discussion was somewhat heated on the subject of other potential options to address the shortfall. House Bill 2405, as amended, would authorize the Kansas Development Finance Authority (KDFA) to issue bonds not to exceed \$500,000,000. Proceeds from those bonds would be applied to the unfunded actuarial pension liability (UAL) of KPERS. The interest rate of those bonds would not exceed 3.75 percent. House Bill 2405 passed the Senate 32-8.

CONFERENCE COMMITTEE PROCESS

The Legislature returned on Tuesday this week, and conference committees immediately started working through the differences in House and Senate bills. Every issue was on the table as conference committees bundled bills together into reports. Since both chambers have generally already heard most of the bills in conference, conference committee discussions and reports are often narrowly focused on the differences between both chambers. At this point in each legislative session, bill numbers become virtually irrelevant. Bills are "bundled" and inserted into other bills or unused "shell" bills.

The complex budget, education, and the unemployment insurance bills required extensive conference committee deliberations.

UNEMPLOYMENT INSURANCE CONFERENCE COMMITTEE

Thursday evening, the Commerce Conference Committee reached agreement on modernizing the unemployment insurance system. There were significant differences between the House and Senate versions, which required careful consideration. The House proposed to provide \$450 million immediately to the Unemployment Insurance Trust fund. The Senate proposed \$250 million immediately and an additional \$250 million for the fund to be held in reserve. The conference committee adopted the Senate version with some clarifying language. There was extensive discussion on legislative oversight of the Request For Proposal (RFP) process to purchase a new computer system. Legislators believe this is a long-term approach to modernizing the Kansas unemployment insurance system.

BUDGET DELIBERATIONS

This week, House and Senate budget negotiators worked hard to narrow the more than 100 remaining differences between the chambers on the state budget. In some cases, the differences were resolved by deferring action until the veto session. The Senate and House were offering budget compromise packages back and forth Tuesday and Wednesday. On Wednesday evening, House and Senate negotiators reached agreement on the budget. Among the items deferred until the veto session were pay increases for state employees and the judiciary.

K-12 budget items will be handled in Senate Bill 175. The Kansas Highway Patrol will get a new plane that must be built in Kansas (2022 Cessna 206). Nursing home facility daily rate was increased \$15 per day, along with more funding for public health departments.

Budget bills require at least a day to draft along with the necessary explanations. The details were not available until this morning.

APRIL REVENUES

Last week, the Kansas Department of Revenue announced that March revenues exceeded the revenue estimates by \$27.6 million. For the first nine months of Fiscal Year 2021, the Department of Revenue noted the revenue is \$207 million above the estimates. Later this month, the Consensus Revenue Estimating Group (CREG) meets to project the estimates for the coming fiscal year. Those estimates will be used to project revenues for the budget.

BILL INTRODUCTIONS

COURTS, LAWS, AND REGULATIONS

Sub. for HB 2183 – As amended, would, among other things, make significant changes to the procedures regarding advance voting ballots. Originally referred to the House Committee on Elections, Rep. Blake Carpenter, Chair. The House Committee of the Whole passed the bill as amended on final action. Yea, 84; Nay, 39. Then referred to the Senate Committee on Federal and State Affairs, Sen. Larry Alley, Chair. The Senate Committee of the Whole passed the motion to accede. Both the Senate and House conference committees have agreed to disagree and appoint new conference committees.

HB 2332 – As amended, would create and amend law concerning addresses maintained for registered voters, solicitation of advanced voting ballot applications, and election tampering. Originally referred to the House Committee on Elections, Rep. Blake Carpenter, Chair. The House Committee of the Whole passed the bill as amended on final action. Yea, 86; Nay, 38. Then referred to the Senate Committee on Federal and State Affairs, Sen. Larry Alley, Chair. The Senate Committee of the Whole passed the bill as amended on emergency final action. Yea, 28; Nay, 12. The House non-concurred with the amendments and a conference committee was appointed. The Senate adopted a motion to accede.

SB 310 – Would create and establish the Kansas reapportionment commission which would propose reapportionment plans for congressional, senate, representative, and board of education districts, and impose procedures and requirements for enacting such plans. Referred to the Senate Committee on Federal and State Affairs, Sen. Larry Alley, Chair.

HB 2058 – As amended, would, among other things, amend law related to the recognition and issuance of concealed carry licenses. Originally referred to the House Committee on Federal and State Affairs, Rep. John Barker, Chair. The House Committee of the Whole passed the bill as amended on final action. Yea, 85; Nay, 38. Then referred to the Senate Committee on Federal and State Affairs, Sen. Larry Alley, Chair. The Senate Committee of the Whole passed the bill as amended on final action. Yea, 80; Nay, 43.

EDUCATION

HB 2039 – As amended, would require students enrolled in an accredited public, private, or parochial high school to pass a civics and financial literacy test as a graduation requirement. Originally referred to the House Committee on Education, Rep. Steve Huebert, Chair. The House Committee of the Whole passed the bill on final action. Yea, 69; Nay, 54. Then referred to the Senate Committee on Education, Sen. Molly Baumgardner, Chair. The Senate Committee of the Whole passed the bill as amended on emergency final action. Yea, 24; Nay, 15. The House non-concurred with amendments. The Senate adopted the motion to accede, and HB 2039 was sent to conference committee.

Sub. for HB 2119 – As amended, would make appropriations for the Kansas Department of Education for fiscal years 2021-2023 and make significant changes to remote learning in Kansas schools. Originally referred to the House Committee on K-12 Education Budget, Rep. Kristey Williams, Chair. The House Committee of the Whole passed the substitute bill as amended on emergency final action. Yea, 65; Nay, 58. Then referred to the Senate Committee on Education, Sen. Molly Baumgardner, Chair.

HEALTHCARE

Sub. for SB 158 – Would enact the Kansas Medical Marijuana Regulation Act relating to the licensure, transportation, and sale of medical cannabis. Referred to the Senate Committee on Transportation, Sen. Mike

Petersen, Chair. The Senate Committee of the Whole approved the bill as amended on emergency final action. Yea, 40; Nay, 0. Then referred to the House Committee on Federal and State Affairs, Rep. John Barker, Chair.

Senate Resolution No. 1717 – Would urge the Legislative Coordinating Council to revoke any executive order issued by the governor mandating face covering while the Legislature is adjourned. Introduced and adopted by the Senate on final action. Yea, 29; Nay, 11.

Kansas Legislative Insights is a publication developed by the Governmental Relations & Public Policy Law practice group of Foulston Siefkin LLP. It is designed to inform business executives, human resources and governmental relations professionals, and general counsel about current developments occurring in current Kansas legislation. Published regularly during the Kansas legislative session, it focuses on issues involving healthcare, insurance, public finance, taxation, financial institutions, business & economic development, energy, real estate & construction, environmental, agribusiness, employment, and workers compensation. Bill summaries are by necessity brief, however, for additional information on any issue before the Kansas Legislature, contact Foulston Siefkin's Governmental Relations & Public Policy Law practice group leader, James P. Rankin at 785.233.3600 or jrankin@foulston.com. Learn more about the authors below:

James (Jim) P. Rankin

Co-Editor and Governmental Relations & Public Policy Law Team Leader 785.233.3600 jrankin@foulston.com | View Bio

As a partner at Foulston Siefkin, Jim's practice focuses on employee benefits law relating to public, private, governmental, and tax-exempt organizations. A large part of his work involves insurance regulatory and compliance issues in many industries, including healthcare. Jim has been selected by his peers for inclusion in *The Best Lawyers in America*[®] and the *Missouri & Kansas Super Lawyers*[®] list. He is the firm's representative with State Law Resources, Inc., a national network of independent law firms selected for their expertise in administrative, regulatory, and government relations at the state and federal level.

Gary L. Robbins

Co-Editor and Governmental Affairs Consultant 785.640.2651 garyrobbinsconsulting@gmail.com

Gary, a governmental affairs consultant to Foulston Siefkin's Governmental Relations & Public Policy practice group, provides legislative monitoring and lobbying services for Foulston's governmental relations clients. He holds a bachelor of science degree in history and political science from Southwestern College and a master's degree in labor economics from Wichita State University. Throughout his extensive career, Gary has served as CLE Director to the Kansas Bar Association and as Executive Director of the Kansas Optometric Association.

C. Edward Watson, II

Contributing Author and Governmental Relations & Public Policy Law Partner 316.291.9589 cewatson@foulston.com | View Bio

As a partner at Foulston Siefkin, Eddie represents clients in matters before state regulatory commissions, courts, and local governmental bodies. He has built and maintained relationships with key individuals – including lobbyists, elected and appointed officials, and staff members – that prove valuable in advancing clients' interests and issues. Drawing on his experience as a regional governmental affairs attorney for AT&T in Chicago, he helps clients navigate the maze of federal policies and agencies, advises on how processes work in Washington, and provides introductions to those who can help them accomplish their goals.

This update has been prepared by Foulston Siefkin LLP for informational purposes only. It is not a legal opinion; it does not provide legal advice for any purpose; and it neither creates nor constitutes evidence of an attorney-client relationship.

PRACTICE AREAS

• Government Affairs & Public Policy Law